

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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**Order Instituting Rulemaking Concerning  
Energy Efficiency Rolling Portfolios,  
Policies, Programs, Evaluation, and Related  
Issues.**

**Rulemaking 13-11-005  
(Filed November 14, 2013)**

**REPLY COMMENTS OF  
Cal UCONS, Inc.  
ON THE  
RULING OF ASSIGNED COMMISSIONER AND ADMINISTRATIVE  
LAW JUDGE SEEKING INPUT ON APPROACHES  
FOR STATEWIDE AND THIRD-PARTY PROGRAMS**

July 1, 2016

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Cal UCONS, Inc. (UCONS) is pleased to offer reply comments to the comments made in response to the May 24, 2016 Ruling of Commissioner Peterman and Administrative Law Judge Fitch. We found the Ruling one of the most thoughtful and innovative energy efficiency rulings in California in many years.

**Summary of UCONS' Response**

In our opening comments, UCONS supported (1) professional and independent administration so as to get good new programs to ratepayers in a timely manner and provide for a professional oversight of the bidding and selection process of new programs, (2) expanded use of standard performance contracts, and (3) expanded use of performance based programs.

**Discussion**

**Administration:** Several parties (The utilities, CEEIC, PAs, and CLEAResult) expressed in their Opening Comments a level of concern with multiple changes and urged a gradual phase in of changes. But these concerns do not address a primary focus of the *Ruling* which was to promptly remedy the problems in getting California ratepayers the benefits they have been denied without the changes.

Synergy Companies supported the *Ruling* and expressed a reasonable challenge to not disrupt current programs. We see particular merit to the Opening Comments of TURN and ORA regarding Administration. TURN recommends “the Commission must ensure that the IOU administrators conduct fair solicitation and selection processes so that the benefits of a competitive market for EE implementation services can be realized.” (p.17)

An important aspect of Administration will be reviewing bids. We support ORA opening comments (pp. 1, 5), in which they propose the Commission utilize Independent Evaluators (IEs) to review the IOUs’ bidding processes and results.

**Statewide and Third Party Programs:** UCONS supports NAESCO Opening Comments in which they recommended an expanded use of standard offer programs for both statewide and third party programs as they have been successfully employed in California previously. We also find merit with TURN’s recommendation “that the Commission retire the concept of a “third-party” program and instead adopt a broad policy of separating IOU administration from implementation as the default portfolio configuration.” (p.16)

**Performance Contracting:** The Assigned Commissioner Ruling outlined expanded applications for performance contracting which UCONS supported in its Opening Comments. In our Reply comments we note TURN supports the “*Ruling’s* intention to dramatically increase the role of implementers in program design. Particularly in a pay-for-performance context, which we hope to be increasingly common, non-IOU implementers must be able to design their programs because they have all of the risk. But broader participation by non-IOUs in program design is also desirable as a way to increase innovation, increase savings, and hopefully reduces costs.” (p.16)

## **Conclusion**

UCONS appreciates the opportunity to submit these Reply Comments, and applauds the initiatives proposed in the *Ruling* to address the many barriers which have acted to deny California ratepayers the best and most innovative programs from reaching the market in recent years.

Respectfully submitted by,

/s/ Tom Eckhart

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